



MAKING COLLEGE MORE AFFORDABLE & GETTING AMERICA BACK TO WORK

Our nation's young Americans have been hit particularly hard during the Wall Street financial collapse. All across the country, students who did everything that was asked of them are now facing the highest rates of unemployment. And, it gets worse when you couple the poor economy with thousands of dollars in student loans.

Young Americans are rightly concerned about their future. The cost of getting a degree or certificate has been rising faster than inflation for far too long, forcing families and students to face the burden of higher costs. And once they finish their education, the stagnant job market has forced the next generation of Americans to postpone future plans and delay the start of their careers.

Democrats in Congress and President Obama have been working on a number of efforts to make college more affordable, help students manage their loans, and to push efforts to get the economy moving again.

Helping America's Students Afford a Higher Education

- Increased the maximum Pell Grant from \$4,050 in 2006 to the current maximum of \$5,550
- Created the American Opportunity Tax Credit, which provides a maximum \$2,500 tuition tax credit to eligible families and students

Assisting Graduates Paying Back Their Loans

- Cut interest rates in half on subsidized Stafford loans for undergraduate students from 6.8% to 3.4%
- Created the income-based repayment program to ensure graduates can manage loan repayment
- Loan forgiveness for graduates in public interest careers after ten years of payments
- Loan forgiveness for everyone else after 20 years of payments

Helping America's Students and Families Shop for a Good Deal

- Created a user-friendly website so that students and families can compare costs, graduation rates, and popular majors (<http://nces.ed.gov/collegenavigator>)
- Required schools to have an online calculator so that students and families could estimate their costs based on their family's financial situation
- Requiring a single, easy to understand financial aid disclosure form so students and families can better understand the financial aid for which they qualify (www.consumerfinance.gov/students)

Ensuring the Stability of Federal Student Loan Program

- Eliminated taxpayer subsidies to banks and reinvested the savings back into students
- Created a single, secure, and efficient lender to originate federal student loans

Getting America Back to Work

- Proposed nearly a dozen initiatives that address youth and young adult unemployment
- Fund summer employment opportunities for youth and young adults up to age 24
- Provide tax incentives for businesses to hire young people and fund work-based training for youth
- Set up job placement programs and support services in urban areas
- Employ youth in public works projects